GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2644
ANSWERED ON:14.03.2016
Exploration of Oil and Gas
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government proposes to provide concession to companies for promoting exploration of oil and natural gas in the country and if so, the details thereof;
(b) whether the country is lagging behind in the exploration and production of oil and natural gas as compared to other developed/developing countries and if so, the details thereof and the reasons therefor;
(c) whether the Government and its controlled committee approved several investments pertaining to oil and gas exploration and if so, the details thereof along with foreign exchange amount likely to be reduced on this move;
(d) The details of survey conducted/proposed to be conducted by public/private companies including Oil and Natural Gas Corporation Limited and Oil India Limited and number of hydrocarbon blocks awarded for exploration of oil and gas along with status of commercial production and quantum of crude oil/gas produced from these blocks State/company/oil block-wise;
(e) the details of stalled projects in the petroleum sector along with the reasons for delay and the steps taken by the Government to fast-track the stalled projects; and
(f) the steps taken to formulate a transparent oil and gas exploration policy and provide energy to end users at an affordable price?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI DHARMENDRA PRADHAN)
(a) Government takes various policy & administrative initiatives to facilitate hydrocarbon exploration in the country. Some of the policy decisions taken by the Government in recent years to enhance Exploration and Production (E&P) activities can be brought out as:
i. Policy to grant relaxation, extension & classifications at development & production stage for early monetization of hydrocarbon discoveries.
ii. Discovered Small Field Policy.
iii. Unified Licensing Policy- new Hydrocarbon Exploration Licensing policy.
iv. Policy for Grant of Extension to small & medium sized discovered fields.
v. Policy for marketing freedom for gas produced from Deepwater & Ultra Deepwater areas.
(b) The level of exploration and production activities depend on various factors including prospectivity of a region.
(c) Exploration blocks are awarded through International Competitive Bidding process in a transparent manner based on the quantified Bid Evaluation Criteria. Investment decisions are taken by the contracts keeping in view the provisions in the Production Sharing Contract signed with the Government.
(d) The details of exploratory work carried out by ONGC, OIL and Pvt. JV companies since inception are as under:-

Company	2D(Line- Kilometer)	3D (Square- Kilometer)
OIL- Nomination	73948.67	14248.72
ONGC-Nomination	882315.89	112375.79
Pvt JV (including ONGC/OIL)-Under PSC regime	375116	282310.4
Total	1331380.56	408934.91

Under PSC regime, 282 exploration blocks have been awarded for exploration of oil and gas so far. Production of Oil /Gas has commenced in 6 nos. of Pre-NELP exploration blocks and 11 nos. of NELP blocks.
The details of production of crude oil/gas from the hydrocarbon blocks awarded for exploration are at Annexure-I.
(e) The Ministry is monitoring projects costing Rs 100 crore and above. Out of these at present, the following projects are reported to be stalled/kept on hold:
1. GAIL: Kochi-Koottanad-Bangalore-Mangalore Pipeline Phase-II: The matter is sub-judice at Supreme Court of India.
2. IOCL CBR-Trichy Pipeline: On hold as a direct fall out of above mentioned court case.
3. IOCL Ennore-Trichhy-Madurai LPG Pipeline: On hold as a direct fall out of above mentioned court case.
4. GAIL: Surat Paradip Pipeline Project: Due to delay in development of Gas sources and absence of anchor gas customer along the pipeline route.

(f) The Government has formulated a new Hydrocarbon Exploration & Licensing Policy.

The prices of Petrol and Diesel have been made market determined by the Government effective with 26th June, 2010 and 19th October, 2014 respectively. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decision on pricing of Petrol and Diesel in line with their international prices and other market conditions.

In order to protect the consumers from the fluctuations in the prices in the international market, the Government continues to modulate the Retail Selling Price of Subsidized domestic LPG and PDS Kerosene and their basic prices have not been revised after 25th June, 2011.

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